

US Senators Prepare Climate Change Bill

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Despite Kerry's consistently upbeat assessment of legislative prospects this year, the new bill also faces plenty of hurdles.

On Friday, a new problem potentially arose when U.S. Supreme Court Justice John Paul Stevens announced his retirement. President Barack Obama said he would move quickly to name a replacement.

That will trigger a Senate confirmation debate that could eat up time -- like the healthcare debate did over the past year -- that otherwise could be spent on the complicated, far-reaching energy and environment bill.

Reacting to the news of Stevens' retirement, Kerry insisted there was time to pass major legislation "and still confirm a new justice."

"Senators Kerry, Graham, and Lieberman will unveil their proposal later this month," Kerry spokeswoman Whitney Smith said, adding Senate Majority Leader Harry Reid was "committed to making this Congress the one that finally passes comprehensive energy and climate legislation."

Last week, Obama's top negotiator to international climate talks, Todd Stern, told Reuters that action in Congress was critical for U.S. leverage and credibility in U.N. negotiations toward a global pact controlling carbon pollution.

The United States is second only to China in emissions of greenhouse gases blamed for global warming.

Other high-priority initiatives that will tie up the Senate in coming months are the federal budget for next year and an array of spending bills, including one for the war in Afghanistan. Controversial banking industry reforms and additional job-creation steps Democrats want to enact this election year also are stacked up on the runway.

Most senators and environmentalists backing attempts to reduce U.S. smokestack emissions associated with global warming think that if a bill is to be passed before November congressional elections, the Senate must do so by July, before the election campaigns heat up.

SEVENTEEN PERCENT SOLUTION

Aides to Kerry, Graham and Lieberman toiled over legislative details of their climate bill during a two-week recess that ends on Monday.

Its centerpiece will be a 2020 deadline for reducing greenhouse gas emissions by 17 percent from 2005 levels. Oil and coal, cheap and dirty energy sources, gradually would be replaced with more expensive, but cleaner alternative fuels.

The 17 percent lines up with the House of Representatives' target and commitments made by Obama in global talks.

In a move to lure more votes, the compromise Senate bill is expected to have new incentives for domestic oil and natural gas production and expanding nuclear power.

Electric utilities would be the first sector to have pollution controls imposed -- starting in 2012 -- through a "cap and trade" system to bring down carbon emissions with required permits that would be traded in a regulated market.

Factories would join the pollution-reduction system in 2016, industry and environmental sources have been told.

A third sector, transportation, would see a tax levied on refined oil products, a Senate source told Reuters last week, with the expectation it would be passed on to consumers when they buy gasoline and other fuel products.

Writing the bill has been a long, tough slog for Kerry. It seems that just about every time he finds a way to gain some support from one corner, concerns pop up from another.

Asked about the difficulty, the Senate source would only say, "We are working to address and reconcile all of the concerns raised by particular members about particular provisions."

For example, Senator Robert Casey told Reuters in late March he would try to kill an oil industry proposal letting states, rather than Washington, regulate shale gas drilling methods. The Pennsylvania Democrat cited groundwater contamination concerns.

Kerry is being hit with an array of other competing concerns: Industry wants the federal legislation to pre-empt state climate control efforts and U.S. Environmental Protection Agency regulation, an idea many state officials oppose.

A dizzying number of other concerns were still being addressed too, according to government and private-sector sources. They include how oil industry tax revenues would be used, how pollution permits would be allocated to utilities and the shape of a border tax to protect steelmakers and other energy-intensive industries from unfair foreign competition.

Source: bdnews24.com